

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
WEDNESDAY- -JUNE 6, 2007- -7:01 P.M.

Mayor Johnson convened the Special Meeting at 8:24 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam and Mayor Johnson - 5.

Absent: None.

AGENDA ITEM

(07-277) Recommendation to review and approve Asset Management Guidelines for Tidelands Leasing.

The Development Services Director gave a brief presentation.

Councilmember Matarrese stated the context should be balancing off the public recreational component; the tidelands trust allows for maritime industry; part of the public benefit might be 200 skilled trades jobs at a shipyard which provides the benefit of local jobs; all uses must be viewed with a balanced risk benefit; a global view must be taken; everything along the shoreline does not need to change to public recreational open space; the guidelines are reasonable; the uses are varied enough; each lease cannot be expected to be viewed the same way.

The Development Services Director stated maritime uses are valuable; leases will ensure facilities are maintained and kept in a condition to become valuable assets to the community; there are ways to accomplish public benefit, such as view access versus physical access.

Councilmember Matarrese stated public benefit is not necessarily allowing people to be able to walk up to the water; there are other benefits, such as sales tax revenues, job creation and shoreline access for recreation; the term public benefit needs to be stretched; that he supports the Bay Trail, however, commercial endeavors providing revenues to the general fund should be viewed as public benefits.

The Development Services Director stated tideland funds can be used to develop public assets in other locations; the goal of trying to figure out public benefit is a good start.

Councilmember Gilmore inquired what is the City's policy on going out to bid when long-term leases expire; stated there have been complaints from the public about not being able to bid when other

long-term leases have expired.

The Development Services Director stated staff was considering putting notices in the newspaper; the adjacent property owners manage most of the leases; in some cases, buildings cross property lines; staff would try to define property lines and make trades to have property lines not go through buildings.

Councilmember Matarrese stated said policy should be included in the guidelines.

The Development Services Director stated something could be inserted; further stated public notification would be determined on an individual basis.

Councilmember Gilmore stated the leases have been off the market for so long that the level of interest will not be known until noticed; further stated what is developable might have changed over three decades.

Councilmember deHaan inquired whether only a handful of opportunities are being discussed, to which the Development Services Director responded there are three immediate opportunities.

Councilmember deHaan inquired whether some of the leases have options [for extension].

The Development Services Director responded the option in most existing leases is up to the lessee, not the City.

Councilmember deHaan concurred with Councilmember Gilmore's comments; stated there might be better and higher opportunities; staff would have to discuss whether having forty to fifty leases is in the City's best interest; a shorter lease could give an option later on.

The Development Services Director stated setting up a performance based lease extension is being discussed for one lease; the term would be extended to the extent that there is investment made or performance on the lease.

Councilmember deHaan moved approval of the guidelines.

Mayor Johnson stated that she concurs with Councilmember Matarrese regarding maritime use along the waterfront; public access to the waterfront should be maximized to the extent possible, but not if a maritime use would have to be shut down to allow public access;

many uses along the waterfront are not maritime; there should be a high priority for public access to the waterfront.

Councilmember Matarrese seconded the motion.

Under discussion, Councilmember Matarrese stated that he does not want to strip the waterfront of industrial uses; walking on the path by Bay Shit and Yacht is interesting; there is a lot to see; that he would be upset if the use were stripped and houses were put in; the jobs are needed; the public access goes hand in hand but is not the driver.

Mayor Johnson suggested a goal be added regarding maintaining maritime uses.

Vice Mayor Tam stated that she prefers to keep the language more general: maximize revenue-generating opportunities.

Councilmember Matarrese added the language "as a public benefit;" stated some examples of public benefit should be included; requested the guidelines be posted to the City's website for the public and leaseholders.

Vice Mayor Tam inquired whether the guidelines could be sent to the three upcoming leases, to which the Development Services Director responded in the affirmative.

Councilmember deHaan inquired whether Councilmember Matarrese was seconding the motion with a caveat.

Councilmember Matarrese responded in the affirmative; stated it [caveat] is to ensure the guidelines are posted.

Mayor Johnson inquired whether said caveat was the caveat to which Councilmember deHaan was referring.

Councilmember deHaan responded in the negative; stated there are a couple [caveats], including maritime uses.

The Development Services Director stated one of the goals of the tidelands trust is to regulate the types of uses; maritime uses are high on the priority list.

Councilmember Matarrese stated describing the public benefit, as not just recreational use, should also be included.

Mayor Johnson inquired whether the additions covered what Vice Mayor Tam mentioned.

Vice Mayor Tam responded in the affirmative; stated [her recommended language is] to enhance revenue-generating opportunities as a public benefit.

On the call for the question, the motion carried by unanimous voice vote - 5.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the special meeting at 8:45 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.